



GREEN MOUNTAIN CARE BOARD
89 Main Street
Montpelier, VT 05620
802-828-2177

Certificate of Need
Letter of Intent

Pursuant to 18 V.S.A. § 9440 (c)(2)(A), and (2), applicants planning to request a Certificate of Need (CON) are required to first submit a Letter of Intent to enable the Green Mountain Care Board (Board, or GMCB) to determine if a planned health project falls within its statutory jurisdiction. In those instances where an applicant acknowledges that a project is subject to the Board's jurisdiction under 18 V.S.A. § 9434, however, and the applicant is not required by statute to submit a Letter of Intent, the applicant may complete this form as a means of providing the Board preliminary information to commence the CON process.

If you do not believe your project falls within the Board's CON jurisdiction, you do not have to complete this form in full. Please provide the Board with information concerning proposed expenditures and scope of project (see sections E and F) sufficient for the Board to make such determination and notify you, in writing, of its decision.

Authority & Purpose

The Green Mountain Care Board (the "Board") is authorized to review, approve, approve with conditions, or deny applications for Certificates of Need pursuant to 18 V.S.A §§ 9375(b)(8), 9431(b), 9433 and other applicable laws. The Certificate of Need process is intended to prevent unnecessary duplication of health care facilities and services, guide their establishment in order to best serve public needs, promote cost containment, and to ensure the provision and equitable allocation of high quality health care services and resources to all Vermonters. Oversight of the CON process is one of the ways the Board is working to ensure that changes in Vermont's health care system improve quality while stabilizing costs.

Instructions

A completed Letter of Intent must provide information in sufficient detail to allow the Board to determine whether a proposed expenditure or action requires a Certificate of Need. In addition to completing this form, the Board may schedule, or you may request, a conference with GMCB staff to discuss a proposed project.

Please fill out all portions of the form applicable to your project. Save the form and return the form electronically via email to GMCB.CON@state.vt.us. As needed, attach supporting documentation to the email and clearly identify each such attachment.

A. Title of Project: Kitchen Renovation

B. Anticipated Application (check one):

Standard CON ☐

Expedited CON ☒

Emergency CON ☐

C. Applicant Information:

1. Facility/Entity Name Vermont Veterans' Home

Facility/Entity Address 325 North Street Bennington VT 05201

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2. Facility/Entity Administrator

Name **Melissa A. Jackson**

Title **CEO**

Address **325 North Street Bennington, VT 05211**

Telephone **447-6533**

Email **melissa.jackson@state.vt.us**

3. Principal Contact Person

Name **Same as above**

Title

Address

Telephone

Email

D. Ownership Information

Type of ownership (individual, partnership, corporation, etc.)

For profit ☐ not for profit ☒

Names of owners

State of Vermont

Accreditations

Medicare/Medicaid and VA Certified

E. Summary Project Description:

Include in your description the following items, if applicable:

- ☒ location(s) of the proposed project, facility or service, including primary, satellite, and mobile locations;
- ☒ services to be expanded, added, replaced, or reduced, identifying the proposed location of each;
- ☒ description of the proposed service area;
- ☒ detailed description of any equipment to be purchased and/or replaced;
- ☒ number of square feet of any construction/renovations;
- ☒ total project cost;
- ☒ how the project will be financed;
- ☒ the need for the project (with supporting data);
- ☒ objective to be achieved by implementation of the proposed project;
- ☒ anticipated impact on health care costs, access and quality, and
- ☒ estimated beginning and completion date.

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F. Projected Expenditures and Financial Information:

Projected expenditures must be in sufficient detail to determine that all costs associated with making each component of the project fully operational are included. Please use Projected Project Costs spreadsheet located at <http://gmcboard.vermont.gov/certificateofneed> to submit the financial data.

- Provide all line items and associated expenditures for the project.
- Provide itemized costs and a full budget for each of three years (current, year 1, 2, 3) from the proposed starting date, including all details for administrative and operating expenses.

Note: To expedite the Board's review, please attach institutional documentation relevant to the total project cost (e.g., financial data, proposed or approved budgets, or other itemized expenses), that was prepared for, presented to, or approved by the facility, administrator(s), governing authority, lending institution, or other similar person(s) or entity in anticipation of the proposed project

G. Public Notice of Letter of Intent:

- An applicant **NOT** seeking expedited review shall place, within 2 weeks after filing a Letter of Intent, a public notice in newspapers having general circulation in the region of the state affected by the proposed health care project (see 18 V.S.A. § 9440(c)(2)).

Please provide the Board a copy of the public notice as it appeared in the paper(s).

- If **expedited review** is requested and the Board determines, pursuant to 18 V.S.A. §9440(c)(5), such review is appropriate, the Board shall place a public notice of the proposed project in the newspapers.

The Board will send a copy of this public notice to the applicant.

G. Certification of Accuracy

I certify that the information contained in this application, and all documents that have been submitted with this application, are accurate and complete to the best of my knowledge. I understand that any false statements or failure to disclose information may be sufficient grounds for the Board to deny Certificate of Need approval.

Name Melissa A. Jackson

Title CEO

Signature



Date 05/29/2015

(For Green Mountain Care Board use only)

Reference number:

Date of Submittal:

Date Decision due:

Notes:

Project & Operating Costs

Name of Project:

Name of Organization

Project Costs:	Latest Actuals (12 mos)	Year one of Proj (12 mos)	Year 2 (12 mos)	Year 3 (12 mos)
Construction Costs				
New Construction	\$0	\$0	\$0	\$0
Renovation	\$0	\$1,200,000	\$0	\$0
Site Work	\$0	\$0	\$0	\$0
Fixed Equipment	\$0	\$300,000	\$0	\$0
Design/Bidding Contingency	\$0	\$0	\$0	\$0
Construction Contingency	\$0	\$100,000	\$0	\$0
Construction Manager Fee	\$0	\$0	\$0	\$0
Other (please specify):	\$0	\$0	\$0	\$0
Temporary Kitchen	\$0	\$125,000	\$0	\$0
Inspections/Clerk	\$0	\$45,000	\$0	\$0
Subtotal	\$ -	\$ 1,770,000.00	\$ -	\$ -

Related Project Costs				
Major Moveable Equipment	\$0	\$0	\$0	\$0
Furnishings, Fixtures & Other Equip.	\$0	\$0	\$0	\$0
Architectural/Engineering Fees	\$0	\$150,000	\$0	\$0
Land Acquisition	\$0	\$0	\$0	\$0
Purchase of Buildings	\$0	\$0	\$0	\$0
Administrative Expenses & Permits	\$0	\$0	\$0	\$0
<i>Total Debt Financing Expenses (see below)</i>	\$0	\$0	\$0	\$0
Debt Service Reserve Fund	\$0	\$0	\$0	\$0
Working Capital	\$0	\$0	\$0	\$0
Other (please specify)	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0
	\$0	\$150,000	\$0	\$0
Subtotal	\$0	\$300,000	\$0	\$0
Total Project Costs	\$ -	\$ 2,070,000.00	\$ -	\$ -

Debt Financing Expenses				
Capital Interest	\$0	\$0	\$0	\$0
Bond Discount or Placement Fee	\$0	\$0	\$0	\$0
Misc. Financing Fees & Exp. (issuance costs)	\$0	\$0	\$0	\$0
Other (specify):	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0
Subtotal	\$0	\$0	\$0	\$0
Less Interest Earnings on Funds				
Debt Service Reserve Funds	\$0	\$0	\$0	\$0
Capitalized Interest Account	\$0	\$0	\$0	\$0
Construction Fund	\$0	\$0	\$0	\$0
Other (specify):	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0
Subtotal	\$0	\$0	\$0	\$0
Total Debt Financing Expenses	\$0	\$0	\$0	\$0
<i>feeds to Debt Financing Expenses above</i>				

Project & Operating Costs

Name of Project:

Name of Organization

Operating Costs (expenses):	Latest Actuals (12 mos)	Year one of Proj (12 mos)	Year 2 (12 mos)	Year 3 (12 mos)
Staffing Expenses				
Salaries per FTE	\$0	\$0	\$0	\$0
Fringe Benefits/Health Insurance	\$0	\$0	\$0	\$0
Professional Insurance	\$0	\$0	\$0	\$0
Staff Travel	\$0	\$0	\$0	\$0
Consultant costs & travel	\$0	\$0	\$0	\$0
Subscriptions/Dues	\$0	\$0	\$0	\$0
Other (specify):	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0
Operation Expenses				
Supplies/printing	\$0	\$0	\$0	\$0
Depreciation	\$0	\$0	\$0	\$0
Interest	\$0	\$0	\$0	\$0
Advertising/Marketing/Printing	\$0	\$0	\$0	\$0
Vehicle Expense/Auto Insurance	\$0	\$0	\$0	\$0
Rent/Lease Expense	\$0	\$0	\$0	\$0
Utilities/Telephone Expenses	\$0	\$0	\$0	\$0
Computer/hardware/Software	\$0	\$0	\$0	\$0
Building Maintenance and repair	\$0	\$0	\$0	\$0
Property Taxes	\$0	\$0	\$0	\$0
Legal Services	\$0	\$0	\$0	\$0
Billing Services	\$0	\$0	\$0	\$0
Security Services	\$0	\$0	\$0	\$0
Other (specify):	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0
Total Operating Costs:	\$ -	\$ -	\$ -	\$ -

Vermont Veterans' Home Infrastructure- Kitchen Renovation Project

Background

Two decades after the Civil War ended the formerly young soldiers of the Grand Army of the Republic were becoming middle aged and elderly. Some of those ex-soldiers needed housing and medical assistance. The Vermont Veterans' Home was established as a corporation of the State of Vermont 131 years ago to provide that assistance. It is located on what was a 200 acre farm on the north side of the Town of Bennington. Three years after incorporation the first resident of the Home was accepted for care.

Back then and through the early twentieth century, the Home was a working farm with cattle, horses, pigs and poultry. It also had a menagerie of small animals as an attraction for children. As a self contained community it provided its own meats and produce for the Home's consumption.

Over time it expanded with many new buildings to care for veterans. Some of those buildings along with 83 acres of land remain.

The Home is currently certified for 130 Skilled Nursing beds and 8 Domiciliary beds. It has 4 separate resident care units spread over a space the size of a football field. The existing resident buildings are one story and inter-connected. However, the wings were built at different times. The oldest, North wing, is 44 years old and the youngest, A wing, is 24 years old, both were renovated in 2011 – 2012.

Currently we care for 138 Veterans and their spouses/widows. Our Veterans represent every branch of the United States Military and have served in World War II, Korea, Vietnam, the Gulf War, and during peace time. The average age of our Veterans is 82, our youngest is 45 and our oldest is 93. Most of our Veterans are from Vermont and New York but we have Veterans from as far away as New Mexico residing with us.

Current Status of Kitchen

The facility's kitchen was originally built in 1976 and was last remodeled in 1985. The current square footage is 6,014 square feet. The dietary staff prepares 132,000 meals annually. Despite being a very large space it is not efficiently laid out. This results in delays at meal times and cold food. The facility recently received three deficiencies during our annual survey by State of Vermont Department of Licensing and Protection, March 26 to 28, 2012, related to dietary services. The deficiencies were F Tag 362, F364, F, 371, each revolved around late meal delivery times and cold food.

One of the major obstacles for the kitchen is the lack of storage space. Dry good are currently stored in the basement. This requires additional steps and employee time when checking in stock or bringing stock up into the kitchen. When inventory arrives it is checked in and the cartons/boxes are placed on a manual conveyor belt that covers a flight of stairs. Each item is placed on this belt and sent to the bottom of the stair where another employee is awaiting the arrival of the box. This employee has to remove the box from the conveyer belt and then remove the items from the boxes/cartons and then place the items on the appropriate shelves. When an item is needed from the basement and employee must first go to the basement, load the items onto a hand truck place, ride the elevator to the first floor; transport the items into the kitchen where they can be used. The storage space in the walk in freezer is inadequate. The freezer space is too small which limits the facility's ability to keep stock on hand. This result in items being stored on milk crates in the walk way of the freezer and additional deliveries from our food vendors.

Items such as bread need to remain on the delivery trays from the vendor. These trays are placed on a wheeled base and moved into a service corridor as there is no other storage area available for this product. The bread is moved several times a day to allow staff to access the back hallway and to keep the area around the stairwell clear. When bread is needed in the kitchen, dietary staff must leave the kitchen and access the corridor to bring bread into the kitchen. This is not an idea storage situation.

The freezer and refrigerator are 25 years old and past their useful life. Due to their age it is difficult to obtain replacement parts. If one or both of these units fail the facility's back up plan is to rent refrigerated tractor trailer trucks until such time the refrigerator or freezer can be repaired/replaced. If this scenario came to fruition, this would require the dietary staff to go outside of the building to obtain the supplies they needed to prepare meals. With the exception of the refrigerator and freezer all other major equipment with the kitchen would remain and are not in need of replacement.

Storage of items in between meals is an issue. The current layout of the kitchen does not provide ample storage space for items such as meal carts, clean dishes, pots and pans. Meal carts a "parked" in whatever free space might be available; this results in the carts having to be moved several times a day to move other equipment throughout the kitchen.

Currently the kitchen's dish room containing the dishwasher is on one side of the kitchen and the area for washing pots and pans is on the other. This requires the use of additional staff to ensure these job tasks are completed each day.

The Solution- Renovation of kitchen

The Home is proposing a multifaceted approach to resolve theses issues and is requesting Department of Veterans Affairs State Home Construction Grant Program funding so we can accomplish these goals and improve the level of care that we are providing to our residents.

The solution contains six key elements:

1. Redesign current kitchen space to be a more efficient work space.
2. Increase and improve current food storage, allowing all provisions to be stored on the same level of the building as the kitchen and eliminating the need to use the basement of the facility for storage.
3. Replace aging walk in freezer and to allow for additional freezer storage space.
4. Replace aging walk in refrigerator
5. Replace aging stoves, ovens, flat top grills, and cooked food heated storage units.
6. Contract with a Kitchen Consultant to ensure the renovation project meets facility needs and regulatory requirements of a healthcare kitchen.
7. Contract with an architectural design firm to redesign the kitchen.
8. Contract with a Construction Management team to complete the necessary construction work required for this project.

Outcome

The desired outcome would be to have a more efficiently laid out kitchen that allows for adequate storage off all supplies, eliminating the need to store supplies in the basement and corridors. This will improve resident care by improving on time delivery of meals and ensuring food remains at the adequate temperature.

The relocation of supplies from the basement will result in less wasted time having to procure the supplies needed to prepare a meal as well as reduce the number of time an item must be lifted or carried, thus resulting in less opportunities for work related injuries. The establishment of a supply area on the same floor at the kitchen will ensure that the dry storage areas will remain at the proper temperatures and are in a clean environment. The maintenance of temperature is difficult to do in a basement that is subject to changes in temperature and on rare occasions has experienced minor water penetration.

The refrigerator and freezer would be replaced before they fail eliminating the need to rent expensive refrigerated trucks to keep fresh and frozen food at the proper temperatures. Additionally the renovation would allow for a larger freezer space reducing the need to store items on crates in the freezers walk way. This will make the locating of supplies easier for the staff and reduce the number of times they must move an item.

Other kitchen equipment would be replace before they fail resulting in the need to contract out food services and/or making an emergency purchase of equipment which would be a far more costly expense that a planned replacement.

Relocating the pots and pans washing area in with the dishwasher will help to stream line the dishwashing process allowing staff to focus on meal preparation and improve the on time delivery of meals.

Finally, the renovation of the kitchen will allow for ample storage space for items such as meal carts that are currently in the way when not in use. The meal carts would have a designated storage area out of the way of the kitchen prep area. With the carts out of the way the staff will not have to waste time moving them around to complete their tasks, again improving on time delivery of food.

Summary

The kitchen renovation would encompass the current kitchen space; no additional space would be added to the facility. The project is projected to start March 1, 2016 and end by July 30, 2016. We are applied and were approved for VA grant to renovate the kitchen. This grant is in the amount of \$994,045.00. The State of Vermont is providing funding in the amount of \$545,255.00 making the project total of \$1,529,300.00